

CITY OF BISMARCK POLICE PENSION FUND
INVESTMENT PERFORMANCE REPORT AS OF JUNE 30, 2003

	June-03					March-03				December-02				September-02				Current	Prior Year	3 Years	5 Years
	Allocation			Quarter	Month	Allocation			Quarter	Allocation			Quarter	Allocation			Quarter				
	Market Value	Actual	Policy	Net ROR	Net ROR	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Net ROR	Net ROR	6/30/2003	6/30/2003
LARGE CAP DOMESTIC EQUITY																					
Structured Growth																					
AllianceBernstein	268,978	2.4%	2.6%	10.84%	0.46%	242,972	2.4%	2.6%	-0.19%	218,475	2.2%	2.6%	3.03%	209,026	2.2%	2.6%	-13.56%	-1.48%	-28.98%	-20.46%	-5.64%
Russell 1000 Growth				14.31%	1.38%				-1.07%				7.15%				-15.05%	2.93%	-26.49%	-21.55%	-5.04%
Structured Value																					
LSV	577,945	5.2%	5.1%	19.61%	1.91%	483,901	4.8%	5.1%	-5.86%	510,993	5.1%	5.1%	6.45%	473,090	4.9%	5.1%	-18.28%	-2.05%	2.72%	9.06%	3.95%
Russell 1000 Value				17.27%	1.25%				-4.86%				9.22%				-18.77%	-1.02%	-8.96%	-2.19%	-0.17%
Enhanced Russell 1000 Index																					
LA Capital (Wilshire)	563,390	5.1%	5.1%	15.08%	1.20%	480,145	4.8%	5.1%	-1.89%	486,677	4.8%	5.1%	6.91%	448,781	4.7%	5.1%	-16.27%	1.08%	-17.00%	N/A	N/A
Russell 1000				15.74%	1.32%				-2.94%				8.16%				-16.91%	0.96%	-17.89%	N/A	N/A
Enhanced S&P 500 Index																					
Northern Trust	532,169	4.8%	5.1%	15.02%	1.20%	463,162	4.6%	5.1%	-3.17%	475,644	4.7%	5.1%	8.10%	433,772	4.5%	5.1%	-16.71%	0.28%	-16.98%	N/A	N/A
Strong	544,920	4.9%	5.1%	14.32%	1.29%	477,218	4.8%	5.1%	-1.41%	481,321	4.8%	5.1%	10.08%	430,980	4.5%	5.1%	-16.74%	3.30%	-20.23%	N/A	N/A
Westridge	606,166	5.5%	5.1%	15.44%	1.27%	580,804	5.8%	5.1%	-3.12%	591,988	5.9%	5.1%	8.55%	539,941	5.6%	5.1%	-17.16%	0.56%	-17.54%	N/A	N/A
Total Enhanced S&P 500 Index	1,683,255	15.2%	15.4%	14.96%	1.25%	1,521,184	15.2%	15.4%	-2.61%	1,548,953	15.4%	15.4%	8.88%	1,404,693	14.7%	15.4%	-16.87%	1.35%	-18.23%	N/A	N/A
S&P 500				15.39%	1.28%				-3.15%				8.44%				-17.28%	0.24%	-17.98%	N/A	N/A
S&P 500 Index																					
State Street	658,879	5.9%	6.0%	15.42%	1.27%	552,408	5.5%	6.0%	-3.15%	567,215	5.6%	6.0%	8.45%	489,269	5.1%	6.0%	-17.26%	0.31%	-17.96%	-11.14%	-1.58%
S&P 500				15.39%	1.28%				-3.15%				8.44%				-17.28%	0.24%	-17.98%	-11.20%	-1.61%
TOTAL LARGE CAP DOMESTIC EQUITY	3,752,448	33.9%	34.3%	15.44%	1.29%	3,280,610	32.8%	34.3%	-2.88%	3,332,313	33.2%	34.3%	7.69%	3,024,858	31.6%	34.3%	-16.77%	0.49%	-17.13%	-9.68%	-2.32%
S&P 500				15.39%	1.28%				-3.15%				8.44%				-17.28%	0.24%	-17.98%	-11.20%	-1.61%
SMALL CAP DOMESTIC EQUITY																					
Manager-of-Managers																					
SEI	1,297,331	11.7%	10.7%	23.58%	2.07%	928,987	9.3%	10.7%	-4.27%	970,351	9.7%	10.7%	5.20%	922,725	9.6%	10.7%	-19.10%	0.68%	-11.87%	N/A	N/A
Russell 2000 + 200bp				24.00%	1.98%				-4.00%				6.68%				-20.97%	0.37%	-6.59%	N/A	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	1,297,331	11.7%	10.7%	23.58%	2.07%	928,987	9.3%	10.7%	-4.27%	970,351	9.7%	10.7%	5.20%	922,725	9.6%	10.7%	-19.10%	0.68%	-11.87%	-3.37%	-0.65%
Russell 2000				23.42%	1.81%				-4.49%				6.16%				-21.40%	-1.64%	-8.59%	-3.30%	0.97%
INTERNATIONAL EQUITY																					
Large Cap - Core																					
State Street	130,229	1.2%	1.1%	18.40%	2.84%	94,584	0.9%	1.1%	-8.71%	103,595	1.0%	1.1%	4.11%	83,560	0.9%	1.1%	-19.98%	-9.96%	-11.74%	-13.28%	-4.72%
MSCI EAFE - 50% Hedged				17.26%	2.86%				-9.03%				4.04%				-20.02%	-11.24%	-14.62%	-14.65%	-4.18%
Large Cap - Active																					
Capital Guardian	312,667	2.8%	2.8%	17.07%	3.12%	238,857	2.4%	2.8%	-10.08%	265,555	2.6%	2.8%	7.34%	217,879	2.3%	2.8%	-21.51%	-11.30%	-13.17%	-14.96%	0.47%
Bank of Ireland	62,266	0.6%	0.6%	19.94%	1.24%	48,287	0.5%	0.6%	-10.90%	54,178	0.5%	0.6%	7.11%	47,141	0.5%	0.6%	-21.62%	-10.28%	N/A	N/A	N/A
Total Large Cap - Active	374,932	3.4%	3.3%	17.57%	2.80%	287,144	2.9%	3.3%	-10.22%	319,732	3.2%	3.3%	7.30%	265,020	2.8%	3.3%	-21.53%	-11.12%	-12.19%	-14.58%	0.74%
MSCI EAFE - 50% Hedged				17.26%	2.86%				-9.03%				4.04%				-20.02%	-11.24%	-14.62%	-14.65%	-4.18%
Small Cap - Active																					
Lazard	68,665	0.6%	0.6%	21.27%	1.49%	54,472	0.5%	0.6%	-6.21%	58,064	0.6%	0.6%	3.95%	52,841	0.6%	0.6%	-17.39%	-2.32%	N/A	N/A	N/A
Wellington	72,045	0.6%	0.6%	23.43%	1.85%	56,192	0.6%	0.6%	-3.04%	57,961	0.6%	0.6%	7.12%	50,679	0.5%	0.6%	-17.33%	5.97%	N/A	N/A	N/A
Total Small Cap - Active	140,710	1.3%	1.1%	22.37%	1.67%	110,665	1.1%	1.1%	-4.63%	116,025	1.2%	1.1%	5.50%	103,520	1.1%	1.1%	-17.36%	1.75%	N/A	N/A	N/A
Citigroup Broad Market Index < \$2BN				23.03%	4.80%				-2.09%				1.85%				-15.30%	3.91%	N/A	N/A	N/A
TOTAL INTERNATIONAL EQUITY	645,871	5.8%	5.5%	18.78%	2.56%	492,392	4.9%	5.5%	-8.73%	539,352	5.4%	5.5%	6.23%	452,099	4.7%	5.5%	-20.31%	-8.22%	-10.49%	-12.63%	-0.99%
MSCI EAFE - 50% Hedged				17.26%	2.86%				-9.03%				4.04%				-20.02%	-11.24%	-14.62%	-14.65%	-4.18%
EMERGING MARKETS EQUITY																					
Capital Guardian	219,127	2.0%	2.0%	22.61%	5.09%	178,731	1.8%	2.0%	-6.12%	190,378	1.9%	2.0%	11.72%	170,414	1.8%	2.0%	-16.68%	7.15%	-5.69%	-10.61%	1.62%
MSCI Emerging Markets Free				23.38%	5.70%				-5.87%				10.04%				-16.30%	6.96%	1.30%	-7.07%	2.49%
DOMESTIC FIXED INCOME																					
Core Bond																					
Western Asset	399,454	3.6%	3.8%	3.62%	0.01%	510,253	5.1%	4.4%	3.03%	490,859	4.9%	4.5%	2.49%	529,988	5.5%	4.6%	3.66%	13.42%	8.87%	11.88%	8.58%
Lehman Aggregate				2.50%	-0.20%				1.39%				1.57%				4.58%	10.39%	8.62%	10.07%	7.54%
Active Duration																					
WestAM (Criterion)	394,107	3.6%	3.8%	2.86%	-0.25%	502,875	5.0%	4.4%	1.46%	489,559	4.9%	4.5%	2.69%	522,381	5.5%	4.6%	2.57%	9.93%	6.00%	9.39%	6.85%
Lehman Aggregate				2.50%	-0.20%				1.39%				1.57%				4.58%	10.39%	8.62%	10.07%	7.54%
Index																					
Bank of ND	651,752	5.9%	6.5%	3.19%	-0.41%	591,890	5.9%	6.3%	1.55%	584,955	5.8%	6.3%	1.40%	630,199	6.6%	6.2%	5.96%	12.59%	9.56%	11.06%	7.79%
Bank of ND Match Loan CD Program	113,625	1.0%	1.0%	1.42%	0.47%	117,088	1.2%	1.2%	1.41%	123,116	1.2%	1.2%	1.43%	122,869	1.3%	1.3%	1.44%	5.83%	5.79%	5.84%	5.85%
Total Index	765,376	6.9%	7.5%	2.72%	-0.18%	708,978	7.1%	7.5%	1.51%	708,071	7.0%	7.5%	1.38%	753,068	7.9%	7.5%	4.78%	10.77%	9.68%	10.08%	7.44%
Lehman Gov/Credit				3.52%	-0.40%				1.65%				1.73%				5.70%	13.15%	8.24%	10.82%	7.83%

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	June-03					March-03				December-02				September-02				Current	Prior Year	3 Years	5 Years
	Allocation		Quarter	Month	Net ROR	Allocation		Quarter	Net ROR	Allocation		Quarter	Net ROR	Allocation		Quarter	Net ROR	Net ROR	Net ROR	Net ROR	
	Market Value	Actual	Policy	Net ROR		Market Value	Actual	Policy		Net ROR	Market Value	Actual		Policy	Net ROR	Market Value					Actual
Convertibles																					
TCW	434,247	3.9%	3.8%	11.96%	0.67%	485,772	4.9%	4.4%	1.01%	495,377	4.9%	4.5%	8.32%	469,167	4.9%	4.6%	-9.90%	10.37%	-21.20%	-9.08%	N/A
First Boston Convertible Index				10.64%	0.65%				3.82%				9.83%				-8.56%	15.35%	-12.44%	-3.81%	N/A
BBB Average Quality																					
Strong	410,991	3.7%	3.8%	6.37%	-0.01%	521,856	5.2%	4.4%	3.27%	498,785	5.0%	4.5%	4.11%	517,639	5.4%	4.6%	0.40%	14.81%	3.16%	10.35%	N/A
Lehman BBB				6.54%	-0.05%				3.40%				4.59%				2.70%	18.33%	5.85%	9.91%	N/A
Timberland																					
Evergreen (Wachovia)	819,560	7.4%	7.4%	2.68%	-1.08%	475,033	4.8%	4.8%	6.30%	440,777	4.4%	4.4%	3.23%	376,236	3.9%	3.9%	-0.15%	12.50%	N/A	N/A	N/A
																			N/A	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	3,223,736	29.1%	30.0%	4.51%	-0.27%	3,204,768	32.1%	30.0%	2.58%	3,123,428	31.1%	30.0%	3.37%	3,168,478	33.1%	30.0%	0.72%	11.62%	2.56%	6.95%	6.77%
Lehman Aggregate				2.50%	-0.20%				1.39%				1.57%				4.58%	10.39%	8.62%	10.07%	7.54%
HIGH YIELD BONDS																					
Western Asset	544,495	4.9%	5.0%	8.43%	2.74%	543,145	5.4%	5.0%	6.29%	511,276	5.1%	5.0%	7.64%	474,991	5.0%	5.0%	-3.24%	20.04%	-6.08%	2.51%	4.15%
Lehman High Yield Bond Index				10.11%	2.88%				7.61%				6.74%				-2.93%	22.77%	-3.60%	5.44%	2.66%
INTERNATIONAL FIXED INCOME																					
International Core																					
UBS Global (Brinson)	235,390	2.1%	2.3%	4.63%	-1.66%	516,928	5.2%	4.5%	4.00%	497,032	4.9%	4.5%	6.07%	468,279	4.9%	4.5%	2.40%	18.20%	16.83%	8.47%	5.93%
Citigroup Non-US Gov't Bond Index (1)				4.21%	-1.88%				3.73%				6.06%				2.84%	17.91%	15.72%	8.10%	6.29%
Brandywine	233,950	2.1%	2.3%	N/A	-0.52%	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Lehman Global Aggregate (ex-US)				N/A	-1.76%				N/A				N/A				N/A	N/A	N/A	N/A	N/A
TOTAL INTERNATIONAL FIXED INCOME	469,340	4.2%	4.5%	4.31%	-1.09%	516,928	5.2%	4.5%	4.00%	497,032	4.9%	4.5%	6.07%	468,279	4.9%	4.5%	2.40%	17.83%	16.83%	8.36%	5.86%
Citigroup Non-US Gov't Bond Index (1)				4.21%	-1.88%				3.73%				6.06%				2.84%	17.91%	15.72%	8.10%	6.29%
REAL ESTATE																					
J.P. Morgan	531,941	4.8%	5.0%	2.73%	1.03%	517,784	5.2%	5.0%	1.31%	571,063	5.7%	5.0%	1.90%	560,412			1.64%	7.80%	4.10%	7.36%	10.23%
NCREIF TOTAL INDEX				1.88%	0.62%				1.88%				1.67%				1.79%	7.42%	6.79%	8.44%	10.11%
ALTERNATIVE INVESTMENTS																					
Coral Partners V	66,784			1.35%	0.00%	60,818			0.57%	63,632			-7.89%	58,379			-17.47%	-22.52%	-46.32%	-20.83%	-9.87%
Coral Partners V - Supplemental	3,837			-4.98%	0.00%	3,727			-0.31%	3,933			-11.88%	4,077			-14.17%	-28.36%	N/A	N/A	N/A
Coral Partners VI	9,458			-7.30%	0.00%	3,890			-11.41%	4,621			-21.31%	3,377			N/A	N/A	N/A	N/A	N/A
Brinson 1998 Partnership Fund	10,906			-2.32%	-0.89%	10,898			-1.30%	11,617			-7.89%	11,920			-3.97%	-14.73%	-15.23%	-11.35%	1.31%
Brinson 1999 Partnership Fund	13,886			-1.04%	-1.04%	12,952			-5.12%	14,744			-6.50%	13,470			-4.67%	-16.31%	-21.70%	-14.42%	N/A
Brinson 2000 Partnership Fund	22,395			-1.44%	-2.43%	19,407			-4.65%	21,416			-1.66%	17,623			-6.93%	-13.99%	-14.95%	-9.08%	N/A
Brinson 2001 Partnership Fund	7,727			-0.05%	-0.05%	5,578			-3.01%	6,052			-1.33%	5,652			-1.71%	-5.98%	-6.22%	N/A	N/A
Brinson 2002 Partnership Fund	4,680			4.49%	4.49%	4,134			7.17%	4,058			-2.74%	3,811			0.15%	9.08%	N/A	N/A	N/A
Brinson 2003 Partnership Fund	527			N/A	N/A	-			N/A	-			N/A	-			N/A	N/A	N/A	N/A	N/A
Brinson 1999 Non-US Partnership Fund	7,593			1.31%	1.31%	6,918			2.03%	7,317			-2.36%	6,331			12.07%	13.12%	-7.68%	2.21%	N/A
Brinson 2000 Non-US Partnership Fund	7,317			-1.06%	-1.12%	6,131			4.28%	6,187			-0.81%	5,036			7.00%	9.50%	-6.51%	-1.63%	N/A
Brinson 2001 Non-US Partnership Fund	4,800			0.54%	-0.04%	3,409			2.11%	2,669			-1.54%	2,476			-1.47%	-0.41%	-4.85%	N/A	N/A
Brinson 2002 Non-US Partnership Fund	5,991			0.35%	0.35%	5,510			5.36%	5,503			-0.33%	1,934			-0.04%	5.34%	N/A	N/A	N/A
Brinson 2003 Non-US Partnership Fund	465			N/A	N/A	-			N/A	-			N/A	-			N/A	N/A	N/A	N/A	N/A
Brinson BVCF IV	37,861			-9.85%	0.00%	38,762			7.35%	37,995			-9.29%	38,256			-2.76%	-14.64%	-29.16%	-18.80%	N/A
Matlin Patterson Global Opportunities	76,187			3.63%	1.63%	62,755			-3.52%	62,857			0.00%	50,655			N/A	N/A	N/A	N/A	N/A
InvestAmerica	4,997			-7.00%	-7.00%	4,959			0.00%	5,218			-5.91%	5,066			0.00%	-12.50%	N/A	N/A	N/A
Hearthstone	24,295			11.95%	0.00%	26,733			0.00%	24,952			3.48%	26,404			11.34%	28.98%	4.99%	13.57%	N/A
TOTAL ALTERNATIVE INVESTMENTS (2)	309,704	2.8%	3.0%	0.41%	0.05%	276,581	2.8%	3.0%	-0.30%	282,771	2.8%	3.0%	-3.26%	254,466	2.7%	3.0%	-6.84%	-9.78%	-28.73%	-11.43%	-6.84%
CASH EQUIVALENTS																					
Northern Trust STIF/STEP	91,153	0.8%	0.0%	0.33%	0.05%	56,626	0.6%	0.0%	0.40%	32,337	0.3%	0.0%	0.42%	70,446	0.7%	0.0%	0.68%	1.84%	2.29%	3.33%	4.22%
90 Day T-Bill				0.33%	0.14%				0.30%				0.43%				0.45%	1.52%	2.63%	3.33%	4.07%
TOTAL FUND	11,085,145	100.0%	100.0%	10.90%	0.99%	9,996,553	100.0%	100.0%	-0.54%	10,050,303	100.0%	100.0%	4.99%	9,567,169	100.0%	100.0%	-9.06%	5.32%	-7.26%	-1.84%	2.29%
POLICY TARGET BENCHMARK				10.61%	0.93%				-1.15%				5.19%				-8.71%	4.98%	-5.38%	-1.79%	2.88%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) Previously this benchmark was titled Salomon Brothers Non-US Gov't Bond Index.